

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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IN THE MATTER OF: PAUL B. BULGAJEWSKI  
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FILE NO. 0800284

**NOTICE OF HEARING**

**TO THE RESPONDENT:** Paul B. Bulgajewski  
(CRD#: 4171069)  
1315 W. Eddy  
Chicago, Illinois 60657

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 69 West Washington Street, Suite 1220, Chicago, Illinois 60602, on the 20th day of August, 2008 at the hour of 10:00 a.m. or as soon as possible thereafter, before George Berbas., Esq. or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order shall be entered revoking Paul B. Bulgajewski's (the "Respondent") registration as a salesperson in the State of Illinois and/or granting such other relief as may be authorized under the Act including but not limited to the imposition of a monetary fine in the maximum amount pursuant to Section 11.E(4) of the Act, payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

1. That at all relevant times, the Respondent was registered with the Secretary of State as a salesperson in the State of Illinois pursuant to Section 8 of the Act until September 12, 2006.
2. That on February 21, 2008, FINRA entered Default Decision (Decision) against the Respondent regarding Disciplinary Proceeding NO. 200600643106 which barred him from associating with any FINRA member firm in any capacity.

3. That the Decision found:

**Violations**

The first cause of the Complaint alleges that in August 2006, the Respondent wrote four checks, totaling \$1,150, from a bank account which exceeded the funds available in that account. He deposited those checks in his personal account maintained at the bank affiliate of his FINRA member firm, which created inflated balances of uncollected funds in that account and allowed other checks written on that account to clear. As a result of his conduct, he had a debit balance of \$604.41 in his account at the bank affiliate of his firm. The Respondent admitted to his firm that he knew that *there were insufficient funds in the first bank account, and he stated that he intended to obtain a short-term loan to pay for the checks.* The admitted facts describe a check kiting scheme by which the Respondent violated NASD Rule 2110's requirement that members and associated persons observe high standards of commercial honor and just and equitable principles of trade.

The second cause of the Complaint alleges that on or about November 1, 2006, and on or about November 30, 2006, FINRA staff, in the course of its investigation into whether he had deposited checks from one bank account to *another without sufficient funds, sent the Respondent requests, pursuant to Rule 8210, for information with respect to the subject matter of its investigation.* FINRA staff sent the requests to him by certified and first class mail to his CRD address. Because the requests were sent to him at his CRD address, pursuant to NASD Rule 8210(d), he is deemed to have received them. Furthermore, FINRA staff received a certified return receipt for the November 1 mailing which was apparently signed by the Respondent, and the staff determined from the Post Office website that the November 30 certified mailing was delivered. By failing to respond to the requests, the Respondent violated NASD Rules 8210 and 2110.

4. That Section 8.E(1)(j) of the Act provides, inter alia, that the registration of a salesperson may be revoked if the Secretary of State finds that such salesperson has been barred by any self-regulatory organization registered under the Federal 1934 Act or the Federal 1974 Act arising from any fraudulent or deceptive act or a practice in violation of any rule, regulation or standard duly promulgated by the self-regulatory organization.
5. That FINRA is a self-regulatory organization as specified in Section 8.E(1)(j) of the Act.

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6. That Section 8.E(3) of the Act provides, inter alia, withdrawal of an application for registration or withdrawal from registration as a salesperson, becomes effective 30 days after receipt of an application to withdraw or within such shorter period of time as the Secretary of State may determine. If no proceeding is pending or instituted and withdrawal automatically becomes effective, the Secretary of State may nevertheless institute a revocation or suspension proceeding within 2 years after withdrawal became effective and enter a revocation or suspension order as of the last date on which registration was effective.
7. That by virtue of the foregoing, the Respondent's registration as a salesperson in the State of Illinois is subject to revocation pursuant to Sections 8.E(1)(j) and 8.E(3) of the Act.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 ILL. Adm. Code 130)(the "Rules"), to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to file an answer within the prescribed time shall be construed as an admission of the allegations contained in the Notice of Hearing.

Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default, unless any Respondent has upon due notice moved for and obtained a continuance.

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A copy of the Rules, promulgated under the Act and pertaining to hearings held by the Office of the Secretary of State, Securities Department, is included with this Notice.

Delivery of Notice to the designated representative of any Respondent constitutes service upon such Respondent.

Dated: This 23rd day of June 2008.

A handwritten signature in black ink that reads "Jesse White" followed by a stylized flourish.

JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:  
Daniel A. Tunick  
Office of the Secretary of State  
Illinois Securities Department  
69 West Washington Street, Suite 1220  
Chicago, Illinois 60602  
Telephone: (312) 793-3384

Hearing Officer:  
George Berbas  
Chicago, Illinois 606  
Telephone: (312)